

**MINUTES OF THE  
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE  
January 21, 2009  
Room 415, State Capitol Building, State Capitol Complex**

MEMBERS PRESENT:      Sen. Dennis Stowell, Co-Chair  
                                 Rep. Kerry W. Gibson, Co-Chair  
                                 Sen. Brent Goodfellow  
                                 Sen. David Hinkins  
                                 Rep. Roger Barrus  
                                 Rep. Jack Draxler  
                                 Rep. James R. Gowans  
                                 Rep. John G. Mathis  
                                 Rep. Michael E. Noel  
                                 Rep. Christine Watkins  
                                 Rep. Brad Winn

MEMBERS ABSENT:

STAFF:                      Ivan Djambov, Fiscal Analyst  
                                 Linda Service, Committee Secretary

**Note:**    A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Gibson brought the meeting to order at 10:15 a.m. He welcomed committee members and visitors then turned the time over to Ivan Djambov, Fiscal Analyst, to present the Proposed Budget Reductions 7.5% One-time Reductions, FY 2009 and the Proposed Budget Reductions 15% Ongoing Reductions, FY 2010. Differences between the previous proposed budget reductions received at the last committee meeting and the current proposal are as follows: (1) Column E shows adjustments in the figures, and (2) priority rankings have been given to each program - the highest ranking being #1 on down to the lowest ranking of #45. He responded to questions and concerns from the committee.

**Proposed 7.5% One-time Reductions, FY 2009**

In response to questions from the committee regarding levying additional fees, Leonard Blackham, Commissioner of the Department of Agriculture and Food, assisted by Kyle Stephens, distributed a schedule of proposed adjusted fees suggested by the department to help resolve serious budget cuts. He elaborated on the schedule and answered questions from committee members. He suggested that a budget cut in FY 2009 of 3.5% through all agencies of state government is possible and encouraged the legislature to take time to seriously reconsider the 15% FY 2010 budget. The Analyst affirmed the mandate from the Executive Appropriations Committee (EAC) establishing the targets at 7.5% for FY 2009 and 15% for FY 2010.

### **Proposed 15% Ongoing Reductions, FY 2010**

Mike Styler, Executive Director, Department of Natural Resources, introduced Kent Jones, the governor's nominee for state engineer. Director Styler discussed handouts relating to water rights budget cut proposals and a confidential draft for a 7.5% to 15% proposed budget cut. He reviewed options which included: (1) elimination of the Stream Alteration Program, (2) funding or partially funding the Stream Alteration Program from fees, (3) eliminating temporary employees, and/or (4) increase fees. He outlined priority recommendations for the department and suggested a fee schedule be prepared for consideration.

Sen. Stowell commented on a 2006 report of the Natural Resources Extraction Impact Working Group focusing on the three criteria for using severance tax revenue. Two of the three recommended criteria have been implemented. The third which states "a portion should be invested in renewable resources such as watersheds or improved rangelands" has not been carried out. He suggested the third criteria of the working group's recommendation be implemented and that a message be sent to the EAC that it is a mistake to reduce the amount of money being spent on the land. Director Styler and Commissioner Blackham responded to questions and concerns from committee members. Commissioner Blackham, in summary, concurred with the recommendations as presented on the priority list.

MOTION: Rep. Watkins motioned to recess the meeting until 1:30 p.m.

Sen. Stowell reconvened the meeting at 1:40 p.m. He instructed the committee on the business at hand - adoption of the Proposed Budget Reductions 7.5% One-time Reductions, FY 2009 and Proposed Budget Reductions 15% Ongoing Reductions, FY 2010.

MOTION: Rep. Mathis motioned to adopt the Proposed Budget Reductions 7.5% One-time Reductions, FY 2009 as shown. The motion passed with Rep. Gowans and Rep. Watkins voting in opposition.

MOTION: Rep. Draxler moved to switch item #9, Resource Conservation Staff, for item #6 Watershed, on the 15% Ongoing Reductions, FY 2010 budget list. The motion passed unanimously.

MOTION: Rep. Mathis moved to switch item #23, Close Select Parks 2 Days per Week, for item #17, State Energy Program, and item #32, Stream Gage Reductions, for item #14, Range Creek Management, on the 15% Ongoing Reductions, FY 2010 budget list.

MOTION: Sen. Goodfellow moved to divide the above motion. The motion passed unanimously.

MOTION: The first divided motion is to switch the previously named item #32, for item #14.

The motion passed with Sen. Goodfellow and Rep. Watkins voting in opposition.

MOTION: The second divided motion is to switch the previously named item #23 for item #17. The motion passed unanimously.

MOTION: Rep. Watkins moved to switch item #10, Predatory Animal Control for item #13, Public Access to Trust Lands, on the 15% Ongoing Reductions, FY2010 budget list.

Rep. Gibson moved to switch the previously named item #13 to item #41, Elimination of Positions through Attrition. which he later withdrew in support of leaving it at #13.

Kevin Carter, Director, School & Institutional Trust Lands (SITLA), Becky Bruso, Governor's Office of Planning and Budget (GOPB), and Director Styler responded to questions from the committee regarding the SITLA position on the priority list.

MOTION: Rep. Gowans motioned to move the question. The motion passed unanimously.

Rep. Watkins' motion passed with Rep. Gibson and Rep. Mathis voting in opposition.

MOTION: Rep. Gibson moved to approve the list as it has been amended to be the budget of this committee - 15% Ongoing Reductions, FY2010. The motion passed with Sen. Goodfellow, Rep. Gowans and Rep. Watkins voting in opposition.

Sen. Stowell suggested the committee support the following: (1) fee schedule for the Stream Alteration Program, (2) fee adjustments which will generate monies in the Department of Agriculture, and (3) implementing a portion of the severance tax to be invested in renewable resources. Rep. Gibson proposed that the committee recommend consideration by the EAC of the three above stated suggestions. Rep. Gibson thanked all those in the audience and committee members for their efforts in working out the proposed budgets. He recognized the difficulty involved in this effort.

MOTION: Rep. Gibson motioned to adjourn at 2:45 p.m. The motion passed unanimously.

